

MEMORANDUM

March 9, 2017

TO: MEMBERS, PORT COMMISSION
Hon. Willie Adams, President
Hon. Kimberly Brandon, Vice President
Hon. Leslie Katz
Hon. Eleni Kounalakis
Hon. Doreen Woo Ho

FROM: Elaine Forbes
Executive Director

SUBJECT: Request authorization to advertise for competitive bids for Construction Contract No. 2766R, Piers 94-96 Storm Drain and Outfalls Repairs Project

DIRECTOR'S RECOMMENDATION: Approve Attached Resolution

Executive Summary

Port staff requests the Port Commission's authorization to advertise for competitive bids for Contract No. 2766R, Piers 94-96 Storm Drain and Outfalls Repairs Project ("Project"). The project scope involves drainage system repairs including removal and replacement of approximately four hundred feet of damaged storm drain pipe; backfill and stabilization of 4 sink holes in Pier 96; and installation of 4 tidal influence backflow prevention valves at storm drain outfalls along the east and south seawalls of Piers 94-96 (See Exhibit "A", Area of Work Location Map).

Strategic Objectives

This Project supports the Port's Strategic Plan objectives as follows:

- **Livability:** The Project promotes living wage jobs by providing opportunity for local business enterprises (LBE's) and by meeting mandates for Local Hire in construction projects.
- **Sustainability:** The Project will include best practices for construction.
- **Economic Vitality:** The Project will contribute to the Port's ability to develop a long-term lease plan for Piers 94-96.

THIS PRINT COVERS CALENDAR ITEM NO. 10A

Background

Engineering studies indicate that the backflow of salt water has undermined the subgrade and caused premature deterioration of the drainage system at the Project site. The proposed drainage system improvements will prevent salt water intrusion and tidal scouring effects, which will increase the life expectancy of the Piers 94-96 drainage system. Port Engineering staff has completed the design and construction documents with the assistance of San Francisco Public Works (SFPW).

This Project was previously advertised with Port Executive Director authorization in July 2016. The authorization was based on San Francisco Port Commission Resolution No. 10-60 (adopted August 19, 2010) which authorizes “the Port Executive Director to award contracts, not to exceed the Threshold Amount approved for a Department Head in Section 6.3(A) and Section 6.1(M) of the San Francisco Administrative Code for public works or improvements or professional services related to a public work or improvement” The Threshold Amount is \$600,000; and the Engineer’s estimate for the Project cost was \$450,000. Three bids were received on August 25, 2016. The lowest bid was \$671,000, 49% higher than engineer’s estimate. Due to insufficient funding, all bids were rejected. Staff worked with SFPW to investigate the reason for the high bids and came to the conclusion that the unanticipated rapid rise in the construction market was responsible for the high bids.

In December 2016, a new sinkhole near the entrance of Piers 94-96 was discovered. Staff has worked with SFPW to revise the Engineer’s estimate and repackage the bid documents to add the repair of this sinkhole to the Project scope.

Regulatory Approvals

The Port secured a California Environmental Quality Act (CEQA) categorical exemption in March 2016 (case file 2016-003866ENV) for a Port maintenance and repair program which the Port Chief Harbor Engineer directed. The proposed storm drain and outfall repair project are covered by that CEQA exemption. The scope of repair work is within the parameters of the Port’s existing BCDC Permit M77-17 and does not rise to the level of requiring BCDC review or a permit from the Army Corps of Engineers.

The project will include dust control measures and the Contractor will implement best management practices during construction whenever applicable.

Climate Action

The Project will increase the life expectancy of the Piers 94-96 drainage system. Backflow preventer at the seawall will help mitigate the impacts of rising tide level associated with Sea Level Rise.

Local Business Enterprise (LBE)

The Contract Monitoring Division (CMD) enforces the City's Administrative Code Chapter 14B, the Local Business Enterprise and Non-Discrimination in Contracting Ordinance. The ordinance establishes a 10% bid discounts for LBE prime contractors and empowers CMD to set LBE subcontractor participation requirements based upon availability of LBE firms to complete the type of work included in the contract. CMD staff

have reviewed the Project scope and funding sources for this contract, and established a 25% Local Business Enterprise subcontractor participation requirement.

Port staff will work with CMD staff to outreach to construction contractors located in San Francisco to encourage LBE contractors to bid. Outreach will include email notifications to LBE contractors, posting the bid opportunity at the San Francisco Contractor's Assistance Center, and facilitating introductions at the Pre-bid meeting.

San Francisco Local Hiring Ordinance

The Project will comply with the City's Local Hiring Ordinance which went into effect on March 25, 2011. The mandatory participation level that is currently in effect and applicable for this Project is 30% of all project hours within each trade performed by local residents, with no less than 15% of all project work hours within each trade performed by disadvantaged workers.

Advertisement

Under the proposed bid solicitation, qualified bidders must possess a Class A Contractor's License with at least three (3) years of experience performing public works construction. Port staff will work with CMD for small business outreach to encourage bidding from local construction contractors. Bids will be advertised to reach contractors through the following methods:

- Port Internet
- Direct targeted emails based on location and trade
- Chambers of Commerce and Merchant Associations – Postings and alerts within the traditional and ethnic Chambers
 - Hispanic Chamber of Commerce
 - San Francisco African Chamber of Commerce
 - Chinese Chamber of Commerce
 - LGBT Chamber of Commerce
- Minority/Women Business Enterprise Agencies
- Direct phone calls to targeted individuals and businesses to promote joint ventures
- Contract Monitoring Division list of contractors
- Office of Contract Administration Internet Site
- SFPUC Contractor Assistance Center
- San Francisco Public Library
- Plan Rooms (Builders Exchange, Contractors Information Network, etc.) 18 total
- San Francisco Chronicle (or Examiner)
- Community Newspapers:
 - Bay Area Reporter
 - Central City Extra
 - El Mensajero
 - EL Reportero
 - Marina Times/Northside Publications
 - Potrero View
 - San Francisco Bayview

- Sing Tao Daily
- Small Business Exchange
- The Western Edition
- World Journal
- Sun Reporter

After the solicitation and receipt of bids, Port staff will report to the Commission and propose award of the contract to the lowest responsive, responsible bidder.

Funding

The engineer’s estimate and funding source for this Project are noted below:

Project Scope	Fund Allocated	Funding Source
Piers 94-96 Storm Drain and Outfalls Repairs	\$1,100,000	CPO 778 Pier Structures Repair Project

Engineer’s Estimate: \$ 998,525
 Add 10% Contingency: \$ 99,853
 Total Estimated Cost with contingency: **\$1,098,378**

The project is fully funded from CPO **778**.

Schedule

The anticipated construction start date is July 2017, and the anticipated completion date is December 2017.

The project schedule is noted below:

Commission Approval to Advertise	March 14, 2017
Advertise for Bid	April, 2017
Bids Due	May, 2017
Award of Contract	June, 2017
Notice to Proceed	July, 2017
Substantial Completion	December, 2017

Summary

The Project will repair damaged storm drain pipe and sink holes in Pier 96 and will install 4 tidal influence backflow prevention valves at storm drain outfalls along the east and south seawalls of Piers 94-96. These improvements will prevent salt water intrusion and tidal scouring effects, which will increase the life expectancy of the Piers 94-96 drainage system. Additionally, this is a good project for LBE participation.

Recommendation

Port staff is prepared to seek competitive bids for this Project. Therefore, Port staff requests Port Commission authorization to advertise for competitive bids for Contract No. 2766R, Piers 94-96 Storm Drain and Outfalls Repairs Project.

Prepared by: Ken Chu
Project Engineer

For: Uday Prasad
Acting Chief Harbor Engineer

Attachments

A: Area of Work Location Map
B: CMD Review Memorandum

**PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 17- 13

WHEREAS, Port staff seeks authorization to obtain competitive bids for construction Contract No. 2766R, Piers 94-96 Storm Drain and Outfalls Repairs Project (the “Project”); and

WHEREAS, the Project will repair approximately four hundred feet of damaged storm drain pipe; backfill and stabilize 4 sink holes in Pier 96; and install 4 tidal influence backflow prevention valves at storm drain outfalls along the east and south seawalls of Piers 94-96; and

WHEREAS, Port staff, along with a San Francisco Public Works team have completed design drawings and specifications for the Project; and

WHEREAS, the current estimated Project cost for the work is \$998,525, and with a corresponding 10% contingency of \$99,853, the total estimated Project cost is \$1,098,378; and

WHEREAS, the current estimated Project cost, including the 10% contingency is fully funded from CPO 778, the Pier Structures Repair Project; and

WHEREAS, in the solicitation for Project bids, Port staff will incorporate the subcontracting requirement of 25% for Local Business Enterprises (LBEs) as recommended by the City’s Contract Monitoring Division (CMD) and requirements of the San Francisco Local Hiring Ordinance including the mandatory participation level for each qualifying trade; now, therefore, be it

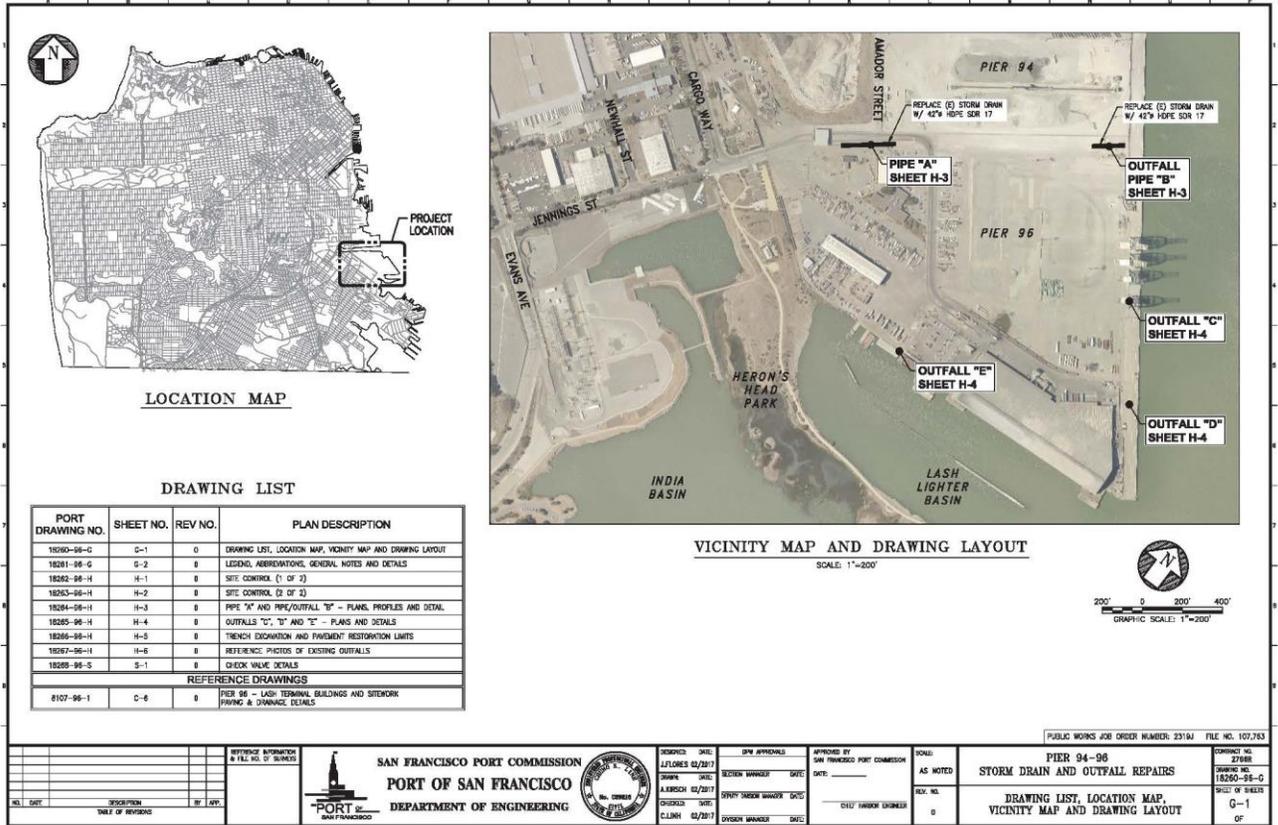
RESOLVED, that the San Francisco Port Commission hereby authorizes Port staff to advertise for and accept competitive bids for Construction Contract No. 2766R, Piers 94-96 Storm Drain and Outfalls Repairs Project.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of March 14, 2017.

Secretary

Attachment "A"

AREA OF WORK LOCATION MAP



Attachment "B"
CMD Review Memorandum



**OFFICE OF THE CITY ADMINISTRATOR
CONTRACT MONITORING DIVISION**



Edwin M. Lee, Mayor
Naomi M. Kelly, City Administrator

Romulus Asenloo, Acting Director

MEMORANDUM

Date: February 24, 2017

To: Kenneth Chu
Port Of San Francisco

From: Finbarr Jewell, CMD 

Subject: Pier 94/96 Storm Drain & Outfall Repairs, Contract # 2766(R) – LBE
Participation Requirement Memo

The Contract Monitoring Division (CMD) has reevaluated the Engineer's Estimate for the subcontractor opportunities for the above referenced project, as well as LBE availability data. Based upon this review, the LBE subcontractor requirement for the project is now 25%. Small and Micro-LBEs certified by CMD can be used to meet the subcontracting requirement.

In addition, the following availability information should be conveyed in the bid specifications.

The LBE subcontracting participation requirement for this contract is 25%. Small and Micro-LBEs certified by CMD can be used to meet this subcontracting goal.

Pursuant to Sec. 14B.9 of the San Francisco Administrative Code, bidders are hereby advised that the availability of Minority Business Enterprise ("MBE"), Women Business Enterprise ("WBE"), and Other Business Enterprises ("OBE") to perform subcontracting work on this project is as follows: 8% MBE, 3.6.1% WBE, and 13.4.% OBE.

Bidders are further advised that they may not discriminate in the selection of subcontractors on the basis of race, gender, or other basis prohibited by law, and that they shall undertake all required good faith outreach steps in such a manner as to ensure that neither MBEs nor WBEs nor OBEs are unfairly or arbitrarily excluded from the required outreach.

Should you have any questions please do not hesitate to contact me at 415 274 0511

30 Van Ness Avenue, Suite 200, San Francisco, CA 94102
Telephone (415) 581-2310; Fax (415) 581-2351